

28 January 2021

Independent Oil and Gas plc

Grant of Share Options to Incentivise Long-Term Performance

Independent Oil and Gas plc ("IOG" or "the Company"), (AIM: IOG.L), the UK gas company targeting high returns via an infrastructure-led hub strategy, announces that, under its Company Share Option Plan, it has today granted options over, in aggregate, 8,578,907 1p Ordinary Shares in the Company ("Ordinary Shares") to its executive directors, senior management and employees to incentivise long-term performance (the "LTIP Options").

The new LTIP Options, which are set out in the tables below, are intended to reward long term performance that delivers value for all shareholders. Vesting is subject to the following basket of performance conditions:

- 40% will vest upon achievement of a compound annual Total Shareholder Return ("TSR") of 12.5% over a three-year period
- Up to 20% will vest upon achievement of upper quartile TSR relative to a basket of peer companies over a three-year period from date of grant subject to a floor based on the price at award
- The remaining 40% will vest upon successful delivery of a series of project and company specific commercial milestones, including:
 - o Production targets (including a first gas target)
 - o Field Development Plan ("FDP") approval for a further phase of development
 - o Establishment of an independent baseline carbon intensity assessment for the Phase 1 development in 2021 and meeting a meaningful carbon intensity target level in future years

Subject to vesting, the new LTIP Options are exercisable for up to ten years from the date of grant and will lapse if not exercised by such date.

The aggregate total of 8,578,907 new LTIP Options represents 1.76% of the total issued Ordinary Shares and 1.40% on a fully diluted basis.

Executive Directors

The following new LTIP Options have been granted to Executive Directors of the Company:

Name	Position	Number of New Options Granted	Exercise Price per Ordinary Share (pence)	Exercise Period	Total LTIP Options Held Following This Grant
Andrew Hockey	CEO	2,314,166	1p	10 years	7,770,576
Rupert Newall	CFO	1,753,156	1p	10 years	4,662,558

Senior Management and Employees

The following new LTIP Options have been granted to Senior Management and Employees:

Name	Position	Number of New Options Granted	Exercise Price per Ordinary Share (pence)	Exercise Period	Total LTIP Options Held Following This Grant
James Chance	Head of Corporate Finance	771,389	1p	10 years	4,275,663

Robin Storey	General Counsel	701,263	1p	10 years	1,521,776
Other Employees	Various	3,038,933	1p	10 years	8,957,820

The LTIP Options are distinct from those held by acceptance of options in lieu of salaries or fees due in given periods ("Salary Sacrifice Options"), which are set by the VWAP of 1p Ordinary Shares over the relevant period of salary sacrifice, have a five-year term and are not linked to performance. The current total outstanding number of unexercised Salary Sacrifice Options held by current and former IOG personnel is 4,480,836.

Fiona MacAulay, Chair of IOG, commented:

"The Company's Share Option Plan is designed to incentivise all our employees to work effectively together to deliver key targets that align with our strategic goals designed to deliver material value for shareholders. The performance conditions include material share price appreciation on both an absolute basis and relative to our industry peer group, the major operational milestones of Phase 1 first gas and Phase 2 FDP approval, and meeting independently assessed carbon intensity targets, which form an important part of our ESG credentials."

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

Enquiries:

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Notes:

Person Discharging Managerial Responsibilities ("PDMR") Notification Forms

1.	Details of the person discharging managerial responsibilities/person closely associated	
(a)	Name	Andrew Hockey
2. Reason for the notification		
(a)	Position/status	CEO
(b)	Initial notification/Amendment	Initial notification
3. Details of the issuer		
(a)	Name	Independent Oil and Gas plc
(b)	LEI	2138005OA2NLZS2NRT74

4.	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted		
(a)	Description of the Financial Instrument	Independent Oil & Gas plc Ordinary Shares of 1p each	
(b)	Identification code of the Financial Instrument	ISIN: GB00BF49WF64	
(c)	Nature of the transaction	Grant of Options over ordinary shares of 1 pence each in the Company	
(d)	Price(s) and volume(s)	Price(s)	Volume(s)
		1p	2,314,166
(e)	Aggregated information - Aggregated volume - Price	n/a	
(f)	Date of the transaction	28 Jan 2021	
(g)	Place of the transaction	London Stock Exchange, AIM Market (XLON)	

1.	Details of the person discharging managerial responsibilities/person closely associated		
(a)	Name	Rupert Newall	
2. Reason for the notification			
(a)	Position/status	CFO	
(b)	Initial notification/ Amendment	Initial notification	
3.	Details of the issuer		
(a)	Name	Independent Oil and Gas plc	
(b)	LEI	2138005OA2NLZS2NRT74	
4.	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted		
(a)	Description of the Financial Instrument	Independent Oil & Gas plc Ordinary Shares of 1p each	
(b)	Identification code of the Financial Instrument	ISIN: GB00BF49WF64	
(c)	Nature of the transaction	Grant of Options over ordinary shares of 1 pence each in the Company	
(d)	Price(s) and volume(s)	Price(s)	Volume(s)
		1p	1,753,156
(e)	Aggregated information - Aggregated volume - Price	n/a	
(f)	Date of the transaction	28 Jan 2021	
(g)	Place of the transaction	London Stock Exchange, AIM Market (XLON)	

1.	Details of the person discharging managerial responsibilities/person closely associated		
(a)	Name	James Chance	
2. Reason for the notification			
(a)	Position/status	Head of Corporate Finance & IR (PDMR)	

(b)	Initial notification/ Amendment	Initial notification
3. Details of the issuer		
(a)	Name	Independent Oil and Gas plc
(b)	LEI	2138005OA2NLZS2NRT74
4. Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted		
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(b)	Identification code of the Financial Instrument	ISIN: GB00BF49WF64
(c)	Nature of the transaction	Grant of Options over ordinary shares of 1 pence each in the Company
(d)	Price(s) and volume(s)	Price(s)
		1p
(e)	Aggregated information - Aggregated volume - Price	Volume(s)
		771,389
(f)	Date of the transaction	28 Jan 2021
(g)	Place of the transaction	London Stock Exchange, AIM Market (XLON)

1.	Details of the person discharging managerial responsibilities/person closely associated	
(a)	Name	Robin Storey
2. Reason for the notification		
(a)	Position/status	General Counsel and Company Secretary
(b)	Initial notification/ Amendment	Initial notification
3. Details of the issuer		
(a)	Name	Independent Oil and Gas plc
(b)	LEI	2138005OA2NLZS2NRT74
4. Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted		
(a)	Description of the Financial Instrument	Independent Oil & Gas plc Ordinary Shares of 1p each
(b)	Identification code of the Financial Instrument	ISIN: GB00BF49WF64
(c)	Nature of the transaction	Grant of Options over ordinary shares of 1 pence each in the Company
(d)	Price(s) and volume(s)	Price(s)
		1p
(e)	Aggregated information - Aggregated volume - Price	Volume(s)
		701,263
(f)	Date of the transaction	28 Jan 2021
(g)	Place of the transaction	London Stock Exchange, AIM Market (XLON)

About IOG:

IOG owns and operates a 50% stake in substantial low risk, high value gas reserves in the UK Southern North Sea. The Company's Core Project targets a gross 2P peak production rate of 140 MMcfe/d (c. 24,000 Boe/d) from gross 2P gas Reserves of 302 Bcfe¹ + 2C gas Contingent Resources of 108 Bcfe², via an efficient hub strategy. In addition to the independently verified 2P reserves at Blythe, Elgood, Southwark, Nailsworth and Elland and 2C Contingent Resources at Goddard, IOG also has independently verified best estimate gross unrisked prospective gas resources of 73 Bcfe² at Goddard. Alongside this IOG has management estimated mid-case recoverable gas volumes of 21 Bcfe at Harvey. In December 2020 IOG also accepted a 50% operated stake in Licence P2589, containing the Panther and Grafton gas discoveries with management estimated 46 Bcfe and 35 Bcfe respectively. In addition IOG continues to pursue value accretive acquisitions to help generate significant shareholder returns.

¹ERC Equipoise Competent Persons Report: October 2017, adjusted by Management to account for updated project timing and compression

²ERC Equipoise Competent Persons Report: October 2018

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